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MEMORANDUM

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For Best Practices

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To: The Honorable Dorcas R. Hardy, Chair, Policy Committee, 2005 White House Conference on Aging
From: Diane Braunstein, Program Director, Health
Re: Remarks at October 1, 2004 Policy Committee Meeting

Thank you for the opportunity to appear before the policy committee to discuss aging initiatives undertaken by the National Governors Association Center for Best Practices. As you requested, below you will find an outline of my remarks. Please know that I look forward to working with you and the members of the committee on important issues of mutual concern.

NATIONAL GOVERNORS ASSOCIATION'S (NGA's) CENTER FOR BEST PRACTICES AGING INITIATIVES

NGA is a bi-partisan organization representing the views of the nation's governors. Organization consists of two parts. One part known as the "committee side" consists of the lobbyists. Represents the governors views to Congress and the Administration. Staff on the committee side also works with Governors' staffs to formulate NGA's official policies. Committee staff is paid with Governors dues. The committee's activities are generally centered in Washington.

The other side of the organization is a 501(c) (3) not for profit institution known as the Center for Best Practices. The Center's mission is to provide technical assistance to governors and their key policy staff in designing and implementing state policies. Like other 501(c) (3) institutions, the Center's funding is derived from foundation and federal grants. Overall, the Center's activities are generally oriented toward assisting governors in their state capitols. The Center's staffers are experts in their fields.

NGA Aging Initiatives

Began in 2000 when an analysis of governors' state of the state addresses revealed that more than 50% mentioned aging and long-term care (LTC). Since then, the Center has undertaken three separate, but related, initiatives in the aging field.

- 1) *NGA Center's Aging Initiative: State Policies for a Changing America.* This initiative, supported by the Robert Wood Johnson Foundation, is designed to assist state policymakers in designing programs and policies to prepare states for the aging baby-boomers by:

- Encouraging personal planning for retirement and LTC expenses;
- Ensuring an adequate health workforce exists to meet the needs of aging boomers; and
- Assisting states in creating communities that will enable older people to remain at home and independent for as long possible.

An NGA Policy Academy, a highly specialized form of technical assistance to the states, is planned for this spring around these topics.

2) A second, recently concluded initiative supported by the Robert Wood Johnson Foundation, the U.S. Department of Health and Human Services, AARP, and the Commonwealth fund was Governor Kempthorne's 2003-2004 Chairman's Initiative—*A Lifetime of Health and Dignity: Confronting LTC Challenges in America*. Every NGA chairman gets to pick an initiative. He chose LTC/Aging and the initiative focused on:

- Encouraging Healthy Aging;
- Supporting Caregivers and Home Care Workers;
- Promoting Community-Based Living
- Encouraging Personal Financial Planning for LTC; and
- Utilizing Technology to assist an aging population.

Both of these initiatives have resulted in site visits, issue briefs, fact sheets, large scale meetings for state policy officials and the Washington health and aging community, and related PBS broadcasts.

3) A third ongoing activity supported by the U.S. Department of Health and Human Services is an NGA Center's Policy Academy on "Rebalancing LTC Systems, Mental Health and Healthy Aging". As part of the policy academy eight states were competitively selected to participate in this technical assistance project designed to assist states in moving away from institutional care and toward community-based care. In August, states sent teams of eight to Denver to hear from leading experts in the field about cutting-edge practices and begin designing individual state plans. Since the meeting, states are receiving additional technical assistance and designing policies and to implement their state plans. Policy academy states are eligible to receive small implementation grants for 2005.

Planning for additional activities and initiatives is currently underway.

I've been asked to speak to you today about some of the issues we've been working on and some of the policies and innovations we've learned about.

Healthy Aging

Issue: \$0.78 cents of every U.S. healthcare dollar is spent on the treatment of chronic diseases. 95% of Medicare and 77% of Medicaid dollars are spent on chronic diseases.

State strategies aimed at:

- **Increasing immunizations.** In the year 2000, 30% of Medicare beneficiaries failed to get a flu vaccine and 37 % failed to get the pneumonia vaccine.
- **Increasing physical activity.** 1/3 of men and 1/2 of women ages 75 and over engage in no leisure or physical activity. For every \$1 spent on physical activity programs for older adults returns \$4.50. One statewide program to get seniors moving is Texercise.
- **Engage in fall prevention programs.** Falling is the leading cause of injuries among seniors, and almost 1/2 of all non-fatal falls occur in the home. More than 1/3 of all seniors fall each year and 20-30% suffer injuries that reduce mobility and independence. Average cost for those over age 72 is \$20,000. Also, a falls is frequently the watershed event that increases dramatically the need for LTC.
- **Increase management of chronic diseases.** Nutrition screenings, Arthritis Self-Help Courses, weight control courses can all have a positive impact. Controlling blood sugar can reduce loss of vision by diabetics by 30% to 60%. Outpatient trainings for diabetics can reduce healthcare costs by \$8.76 for every dollar invested.
- **Increase coordination between state and local aging and public health agencies.** State examples can be found in the NASUA/ CDC Aging States Report.

Highlight: Dr. Kenneth Cooper, the “father of Aerobics” spoke at the 2004 NGA Winter Meeting. Spoke extensively about research and studies that prove increased physical activity and healthy living can have a positive impact at any age.

Technology

Issue: How can technology help to prolong and promote independent living?

- **Visit to Partners in Telemedicine/Harvard Mass General Hospital.** Saw what doctors see during a telemedicine visit. While in Boston, visited with healthcare facility on Nantucket. Also, project where with just an ox-med, monitor, blood pressure cuff and scale the health of patients with congestive heart failure can be monitored and remain independent at the same time.
- **Visit to General Motors.** Demonstrations of how the cars and vans of the future will enable seniors to remain mobile.
- **Visit to MIT Age Lab.** Ways to use technology to increase conformity with medication management.

- **Visit to the GA Tech Aware Home.** Promote independence with monitoring activities via sensors.
- **Presentation by Eric Dishman, Chairman of CAST.** Center for Aging Services Technologies (CAST) at the American Association of Homes and Services for the Aging (AAHSA). At NGA Annual Meeting. How technology can improve health services. One time visit to doctor, diagnosis dementia. Week long view, diagnosis, dehydration.

Promoting Independent Living

Issue: To remain independent, older people need to be involved in community life – which often requires transportation, housing and volunteer opportunities.

- **Using Medicaid dollars and other funding to support point to point transportation.** **Missouri** has a program that blends funding from state transportation, mental health aging and Medicaid sources to provide fixed route transportation to people over age 60 in 87 counties. **New York** has a program where state, county and local non-profits collaborate to provide vehicles for three separate transportation programs.
- **Home modification.** **Georgia** has passed legislation that provides tax credits, land grants and loans to support the development of housing that can be lived in or visited by people with disabilities. **Boston** program provides loans and grants to longtime residents to repair two or three family rooms with rental units – improves living conditions and increases the housing stock.
- **Florida.** *Communities of a Lifetime.* Certifies communities as welcoming lifelong living. Walk to shopping and pharmacy, etc.
- **Naturally Occurring Retirement Communities (NORCs).** In **New York** and **Wisconsin** bring an array of services into housing complexes. Visiting Nurse Service of New York's AdvantageAge project.
- **Volunteer opportunities.** **Florida's** Volunteer Health Care Provider Program provides Health services to uninsured persons using a number of retired physicians, nurses and dentists. **Chicago's** Maher café's provides senior services, run by seniors, including computer courses, driver license renewals, and heart health programs. **Texas** has a program that trains seniors to encourage timely receipt of immunizations for pre-school children.

Supporting Family Caregivers and Home Care Workers.

Issue: Providing care for a loved one is time consuming and expensive. Caregivers spend on average \$12,500 per year out of pocket and typically provide care for 4 years. 62% of caregivers also make some workplace accommodation to fulfill their caregiving responsibilities. Also, more than one-third of persons receiving care at home receive care from a paid caregiver. Wages are \$8.50 cents an hour, no health insurance, frequently have children under 18. Childcare is a big issue. Caregiver and home care worker initiatives:

- Using state and federal funds to support respite services;
- Taking advantage of the *National Family Caregiver Support Program*;
- Using Medicaid funds to support respite services;
- Voucher programs to assist families with home modifications as well as haircuts and lawn care;
- **North Dakota** provides a \$700/ month stipend to caregivers looking after nursing home eligible relatives at home. Capped at \$3,200;
- Improving the tax treatment of caregiver expenses 26 states;
- Expanding family and medical leave;
- Paid leave for caregivers; and
- **California** and **Pennsylvania** have very extensive multi- component programs using state funds.

Home Care Workers

Issue: Most home care workers are low-paid, lack access to health insurance, and require childcare. Initiatives include:

- Health insurance pools and programs;
- Targeted wage enhancements; and
- Direct care resource centers.

Encouraging Personal Financial Planning for LTC

Issue: 85% of Americans over age 45 have no public or private insurance against the costs of LTC. By the year 2030, one year of institutional care is expected to cost \$200,000. The majority of worker that have 401k's only have about \$30-35,000. What tools can states use?

- Tax deductions or credits for employers offering LTC are available in 2 states (**Maine and Maryland**);
- 23 states provide provided state tax deductions to purchase LTC insurance;
- Allow family members to financially support elders in the community without losing Medicaid;
- Partnership policies;
- Special low-cost, bare bones policies for state employees. In **Alaska**, 50% of retirees are covered. **Virginia** automatically provides LTC insurance to all full-time and part-time state employees who participate in the Sickness and Disability Program;
- Marketing campaigns – **Michigan Minnesota**;
- Reverse Mortgages – 11 states promote; and
- LTC Expense Calculators.